



The Leader In Recreational Aviation

DEPT OF TRANSPORTATION

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August 10, 2001

Mitchell E. Daniels, Jr.
 Director
 Office of Management and Budget
 1725 17th Street N.W.
 Washington, DC 20503

FAA-01-11133-3

Dear Mr. Daniels:

We are aware that a regulatory package to establish sport pilot certificate and certification options for light sport aircraft has been forwarded from the Office of the Secretary of Transportation to the Office of Management and Budget for review. EAA wishes to provide background for your consideration, which documents our support for the early release of this proposal for public comment. Obviously, EAA cannot provide specific comment on the effect of any final rule that might result, since the Notice of Proposed Rule Making (NPRM) has not yet been made public. However, based on 10 years of government and industry deliberations on this subject through the Aviation Rule Making Advisory Committee (ARAC) process, we are confident in our support of the concepts contained in the regulatory package.

By way of introduction of our relevant support and expertise in these matters, EAA is the world leader in recreational aviation. EAA was founded in 1953 and currently represents the largest community of pilots and aircraft / ultralight owners that would be most affected by these regulatory changes. With an international membership of 170,000, EAA brings together aviation enthusiasts, pilots and aircraft owners who are dedicated to the continued growth of aviation, the preservation of its history and a commitment to aviation's future. EAA programs, activities and events are known throughout the world for their support of aviation safety and promoting personal enjoyment and responsibility. These efforts are made possible through massive volunteer support of the organization, as well as EAA's special interest Divisions, a global network of 1,050 local Chapters and the affiliated National Association of Flight Instructors.

EAA recently completed our 49th annual fly-in convention (EAA AirVenture Oshkosh) bringing together over 750,000 visitors and 10,000 aircraft over a seven-day period. The pending release of the Sport Pilot / Light Sport Aircraft NPRM was the number one topic of interest.

EAA recognizes OMB's responsibility to review regulatory proposals in light of both government and public economic impact. During the last 2 years, while FAA has worked on developing the Notice of Proposed Rule Making, EAA has committed organizational resources to support this regulatory package. These include preparing for our responsibility to educate the recreational aviation public on the safety implications of these regulations, the development of educational programs for pilots and aircraft owners, and the commitment to support FAA certification and education responsibilities. Our concentration on these efforts has been of the highest organizational priority. We believe that the proposals, as we understand them, provide the most cost-effective alternative for government and the most balanced and beneficial cost to the user and provider community. The general aviation community supports the early release of this

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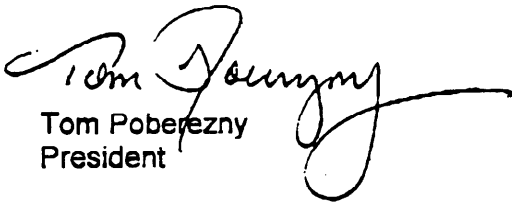
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proposal to permit public review, analysis and comment. On the attached page, we have provided additional detail in support of these statements.

In closing, EAA supports this regulatory package and believes that the public deserves an opportunity to comment on the specific proposals as soon as practical. Manufacturers, as well as EAA, have begun planning to provide the educational requirements as well as the product and service marketplace that will be created by these regulations. Any further delay in making these proposals available for public review and comment will incur negative economic impact on these entities. EAA stands ready to provide any additional information that would be helpful to accomplish the early release of the Notice of Proposed Rulemaking.

Cordially,

EXPERIMENTAL AIRCRAFT ASSOCIATION



Tom Poberezny
President

CC: Secretary Normal Mineta
Administrator Jane Garvey

Appendix A

Cost to Government

EAA believes that the proposal presented by FAA – as a result of industry requests and subsequent development through the ARAC process – is the most cost-effective for government. While we recognize that any new regulations will create some economic impact on the regulatory and enforcement agency, our broader concern – from an economic standpoint – is a more strategic view of the aviation and transportation industry and those costs that will be incurred by government over the long term. We view the opportunities that will be provided by Sport Pilot / Light Sport Aircraft to be significant in the introduction of additional individuals into aviation. This increase in the number of participants in aviation will provide for economic vitality for the infrastructure – both government and private sector – that is the necessary foundation for our air transportation system in the future. With a greater amount of aviation activity, the aviation services and products that are provided by airports, the government's air traffic control system, and private sector producers of services and products, will assure a healthier base for the air transportation system and will reduce incremental cost for the government.

Over the decades, the government (via military service) has largely provided the "pipeline" of pilots, mechanics and engineers to support our air transportation system. In recent years, this burden of providing the infrastructure and human resources talent has fallen to the private sector. As a result, the population of pilots, flight instructors and mechanics are reaching alarmingly low levels. EAA believes that these proposals will introduce new individuals and reintroduce those who have left aviation, and in some cases, increase interest in aviation careers. This is a strategic benefit to the government in incrementally lowering the cost of governmental services.

Additionally, the FAA administrative costs of certification for new aircraft to be manufactured would be reduced based on the industry-led process that FAA proposes to put in place. In particular, specification development for design, quality control, and aircraft maintenance would be handled outside of the Agency. Toward this end, EAA has already begun preliminary discussions with established (government-approved) specification-writing entities. Of course, the FAA would have oversight responsibilities for the specification development, as is currently the case with aircraft hardware and fuels. This will cost much less for the government than the current process of oversight of certification of general aviation and transport category aircraft manufacturing.

Cost to the Public

The proposals, as we conceptually understand them, would increase the cost for some general aviation operators and decrease it for others. In general, community leaders, including EAA, see this as an opportunity to decrease the cost of aircraft ownership and operation. A decrease in the "cost of entry" for an individual to become a pilot and the continuing cost of exercising the privileges of a pilot certificate would be inherent in the regulations. As mentioned above, an individual might (at their option) choose to expand their aviation activities into more sophisticated flying, such as the privileges of a private pilot, an instrument-rated pilot, or even a career opportunity. While these additional costs would be borne by the private sector and individuals, they would be at the individual's election, based on the value that the additional cost provides.

Costs for individual owners and operators of aircraft operators would be reduced as a result of the Light Sport Aircraft regulations in both the initial cost of aircraft purchase and in continuing

aircraft operation and maintenance. The availability of new two-seat light aircraft produced by US manufacturers halted 15 years ago. Since that time there has been a very limited number of two-seat aircraft produced for the training market. The cost of these aircraft, based on the limited numbers produced, has been above the acceptable prices for the recreational purposes. This lack of new aircraft has contributed to the significant growth in homebuilt (particularly kit-assembled) aircraft, as well as ultralight (single-seat) vehicles and ultralight (two-seat) trainers. (The trainers must operate under an exemption to the Federal Aviation Regulations exclusively for training purposes.)

As we understand the proposed regulations, light sport aircraft certification options would permit the manufacturing and sale of completely constructed ("ready to fly") aircraft. Numerous manufacturers have given clear indications that they will bring products to the marketplace with the advent of a pilot certificate that is affordable, attainable and appropriate to this simple type of flying. The initial purchase price of these aircraft will allow for the volume production and marketplace competition has not existed in several decades.

Additionally, the proposals would provide the opportunity for lower cost of operation by permitting the owner-operator maintenance as stipulated through manufacturer-developed maintenance programs. EAA is committed to supporting manufacturer, as well as independent educational venues for owner maintenance.

Whether reducing the cost of aircraft ownership and operation, or that of exercising pilot certificate privileges, the regulations would provide for appropriate safety measures based on initial training and continuing proficiency requirements.

General Support

The majority of the general aviation community has publicly indicated their support of the early release of this Notice of Proposed Rulemaking. The General Aviation Coalition, in meetings with the FAA Administrator on July 18, indicated their conceptual support of this regulatory package based on the belief that it will provide for a growth in aviation activity, a lowering of the cost of participation in recreational aviation activities, while assuring appropriate safety to the general public and to participants. The General Aviation Coalition consists of the following organizations:

Aircraft Electronics Association
Aircraft Owners and Pilot Association
Experimental Aircraft Association
General Aviation Manufacturers Association
Helicopter Association International
International Council of Air Shows
National Aeronautic Association
National Agricultural Aviation Association
National Air Transportation Association

National Aircraft Resale Association
National Association of State Aviation Officials
National Business Aviation Association
Professional Aviation Maintenance Association
Small Aircraft Manufacturers Association
Soaring Society of America
University Aviation Association
U.S. Parachute Association

Many of these organizations also participated in the ARAC deliberations.

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